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August 21, 2008

California Environmental Protection Agency
Air Resources Board
1001 I Street
Sacramento, CA 95812
Attention: Mary Nichols, Chair

Dear Ms. Nichols:

The Direct Access Customer Coalition (“DACC”), representing the interests of public agencies and companies that purchase their electricity from non-utility suppliers, respectfully offers the following comments on the Draft Climate Change Scoping Plan.

DACC has reviewed the previously submitted comments of the California Retailers Association (“CRA”), and strongly urges the Board to adopt CRA’s proposed additions to the Draft Plan. Specifically, DACC urges the Board to revise the Draft Plan to provide that entities which implement or have already implemented energy efficiency (“EE”) projects will be credited with greenhouse gas emissions (“GHG”) reductions that have resulted or will result from the projects, with the credits being transferable and countable as GHG emissions “offsets” to directly regulated entities.

There are two basic reasons why CRA’s proposed treatment of EE projects should be adopted. First, in order for an end-use customer to complete an EE project, the project must first meet the customer’s internal hurdle rate (minimum payback period or internal rate of return), and the value of carbon offsets will allow for more projects to be completed. Second, the more EE projects that customers implement, the less GHG emissions will occur in California and the western power region. Thus, adoption of CRA’s proposed additions to the Draft Plan will directly serve California’s GHG goals.

Respectfully submitted.



Daniel W. Douglass

Counsel for the Direct Access Customer
Coalition